

SENATE BILL 1602

By Marrero

AN ACT to amend Tennessee Code Annotated, Title 49,  
Chapter 3, Part 3, relative to funding of special  
school districts.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 49, Chapter 3, Part 3, is amended by  
adding the following language as a new, appropriately designated section.

§ 49-3-3\_\_\_. Any city which provides funding to a special school district, the  
borders of which are coterminous with the borders of the city, may provide such funding  
through a contract with the school district that provides that one-half ( $\frac{1}{2}$ ) of the funds  
shall be used for the operation of the school system and one-half ( $\frac{1}{2}$ ) of the funds shall  
be used for the issuance of bonds. Upon agreement of both the city legislative body and  
the board of education of the special school district, proceeds from the bond issue shall  
be used only for maintenance of or construction at schools in existence in the district at  
the time of the issuance of the bonds.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring  
it.